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January 7, 2021

VIA ELECTRONIC FILING

Ms. Kimberley A. Campbell
Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, NC 27699-4300

Re: Duke Energy Progress, LLC and Duke Energy Carolinas, LLC Joint
Response
Docket Nos. M-100, Sub 158, E-2, Sub 1228, E36-7, Sub 12, and G-9,
Sub 767

Dear Ms. Campbell:

Enclosed is Duke Energy Progress, LLC's and Duke Energy Carolinas, LLC's Joint
Response for filing in the above-referenced dockets.

If you have any questions or need additional information, please do not hesitate to
contact us.

Very truly yours,

A handwritten signature in black ink that reads "Kendrick C. Fentress". The signature is written in a cursive, flowing style.

Kendrick C. Fentress

Enclosure

cc: Parties of Record

OFFICIAL COPY

Jan 07 2021

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. M-100, SUB 158
DOCKET NO. E-2, SUB 1228
DOCKET NO. E-7, SUB 1236
DOCKET NO. G-9, SUB 767

In the Matter of:

Investigation of Necessary and)
Appropriate Responses to the Novel)
Coronavirus COVID-19)

In the Matter of:)

Application of Duke Energy Carolinas,)
LLC, Duke Energy Progress, LLC, and)
Piedmont Natural Gas Companies, Inc.)
for Expedited Approval of Waivers)

JOINT RESPONSE OF DUKE
ENERGY PROGRESS, LLC AND
DUKE ENERGY CAROLINAS, LLC

NOW COME Duke Energy Progress, LLC (“DEP”) and Duke Energy Carolinas, LLC (“DEC”) collectively, the “Companies”) and, pursuant to the Commission’s *Order Requiring Additional Information on Residential Disconnections, Arrearages, and Payment Plans during the COVID-19 State of Emergency*, issued on December 23, 2020 (“Order Requiring Additional Information”), and the Commission’s *Order Granting In Part and Denying In Part Duke Energy Carolinas, LLC, Duke Energy Progress, LLC and Piedmont Natural Gas Company, Inc.’s Motion for Extension*, issued on January 5, 2021 in the above-captioned dockets (“Extension Order”), provide responses to the Commission’s request for additional information on residential disconnections, arrearages, and payment plans during the COVID-19 State of Emergency. As approved in the Extension Order, the Companies are responding in part to the fourteen questions included

in the Order Requiring Additional Information with this filing and will respond to all outstanding questions for information by January 14, 2021.

Responses

Question 1: Describe the latitude given to customer service representatives on suspending disconnection on residential accounts for nonpayment where crisis is demonstrated.

Response: The Companies' call specialists ensure that customers in crisis are aware of the options available to them to avoid disconnection. They are able work with customers to provide 5-day payment extensions, up to 14-month payment agreements with no interest and no down payment, and assistance in changing or restructuring payment arrangements. For extenuating or escalated circumstances, call specialists are encouraged to seek assistance from their assigned leaders who have the ability to work with customers outside of the standard options provided by our specialists. The Companies offer special consideration to customers who have existing medical issues and have provided medical information. Accounts are noted as either "Medical Alert" or "Critical Care" and are flagged to ensure careful handling where the disconnection of medical equipment could be dangerous to the well-being of an occupant. The Companies' call specialists also refer customers to local assistance agencies to help identify and connect customers in need with available funds.

Question 2: Provide a comprehensive list of all tools available to customer service representatives in dealing with and exercising leniency, including but not limited to foregoing disconnection for nonpayment, with residential customers impacted by COVID-19-related hardship.

Response: The Companies' call specialists may offer customers a variety of payment options to meet their needs, including interest-free 12 or 14-month payment arrangements, by lowering the monthly amount a customer must pay to avoid disconnection for nonpayment. Call specialists also provide customers with contact information for the appropriate Low-Income Home Energy Assistance Program ("LIHEAP") office or other non-profit and government assistance agency. In addition, the Companies have also dedicated call specialists to work directly with assistance programs and agencies to better coordinate aid for customers.

Question 4: If you are offering special repayment plans pursuant to the Commission's Order Lifting Disconnection Moratorium for term(s) of longer than 12 months, please describe.

Response: The Companies offer North Carolina customers payment arrangements up to 14 months (at this time, through March 2021) and the flexibility to restructure payment plans if needed.

Question 7: If residential customers that were offered special repayment plans did not respond at all, were they automatically placed on a special repayment plan or were they assumed to have declined and required to pay their full arrearages during the next billing cycle;

Response: Customers that did not respond to the Companies' extensive outreach efforts leading up to and after the moratorium was lifted were not automatically placed on payment plans. The lack of a response without payment may be an indication that the customer has moved, or a business has closed. Therefore, the Companies do not automatically assume that a nonresponsive customer desires a payment arrangement to extend service.

Additionally, the Companies send multiple communications through a variety of channels including email, text, US Postal Service, and phone calls to all customers with past due balances. The communications encourage customers to contact the Companies by phone or digitally to request assistance for a payment plan.

Question 10: Explain your current customer notification process prior to disconnecting a residential account for nonpayment;

Response: Customers first receive their monthly bill. If unable to pay by the due date, customers receive a sequence of delinquency notices until the bill is paid, a payment arrangement is entered into, or, as a last resort, a customer is disconnected. This sequence of notices begins with a reminder notice at the next billing, then final notice(s) approximately 10 days and 3 days before the disconnect date, and a 24-hour call/text/email on the day of disconnection. Also, for DEC, residential customer accounts with a payment arrangement are provided a payment arrangement contract, and a payment arrangement reminder notice is mailed approximately 7 days in advance of each payment due date. For DEP, residential customer accounts with an active payment arrangement are provided a payment arrangement letter, a final notice each month while on the payment arrangement, and a second notice is mailed approximately 10 days in advance of the payment due date. The Companies want disconnection for nonpayment to be a last resort for their customers.

Question 11: For residential accounts disconnected for nonpayment for more than four days, describe any follow-up customer communication, outreach, assistance, or other actions taken by the utility.

Response: The Companies currently do not proactively directly contact customers after disconnection, but information on reconnection after disconnection is provided on the

Companies' website, and the Companies' call specialists are prepared to answer questions from customers seeking to renew their service. The Companies are implementing a pilot program in early 2021 for North Carolina customers. This outreach program will send a recorded outbound call or text message regarding their disconnection and direct the customer to call an 800-number for assistance.

Question 12: Provide any summary information the utility has concerning the size and income of households that have been disconnected for nonpayment; and

Response: The Companies' customer billing information system does not collect or refer to this type of demographic information. Consistent with Commission Rule R12-11(l), however, between November 1 and March 31 of each year, the Companies do not disconnect service without the express approval of the Commission if the customer can establish all criteria set forth in the Rule.

Question 14: Provide any additional information you deem relevant or significant relating to or concerning the issues, policies, or practices addressed herein.

Response: At the start of the pandemic, the Companies took swift and unprecedented action to assist all of their customers. The Companies suspended service disconnections for unpaid bills; waived late payment and returned payment fees; and, for residential customers, waived fees for credit and debit card payments.

Anticipating the influx of customer calls to discuss options for accounts in arrears, the Companies took steps to increase capacity to address customer call volume. The Companies also built upon a model used during major storm events, training volunteer employees from all areas of the Companies to take specific call types – allowing more complex calls to be handled by more experienced agents. For the return to normal billing

activities, the Companies developed a new technology application that allows employees to take calls from their homes for customers requesting extended payment plans. The application presents options appropriate for the customer, and volunteer employees set up the payment arrangement through the tool itself. More complex issues and questions can be transferred back to customer service agents dedicated to supporting the volunteers.

As soon as outreach regarding payment arrangements was permissible by the North Carolina Utilities Commission, the Companies began proactively contacting customers with past due balances to offer them the opportunity to enroll in a deferred payment arrangement of up to 14 months in advance of any return-to-normal operations. The Companies also delayed resuming disconnections more than a month beyond the time stated by the NCUC to provide additional communications and time for customers to respond. The Companies continue to help customers access resources to assist and provide additional information that can help reduce their bills as we return to standard billing practices. The Companies have continued to provide updates on the Duke Energy COVID-19 website linked to [duke-energy.com](https://www.duke-energy.com). The Companies sent emails, bill inserts, credit notification inserts, and bill messages to customers so that they would understand their options given the resumption of billing practices, including payment arrangements and how to contact assistance agencies. The Companies continue to urge eligible customers to take advantage of available financial support through the LIHEAP funds available through statewide community action agencies.

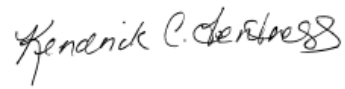
In addition to direct-to-customer communications, the Companies also created information sheets, social media posts, and digital ads in both English and Spanish that were sent to municipal leadership, community stakeholders, Chambers of Commerce, and

state agencies for the purpose of having these entities share through their networks and websites the resources available to help customers. The Companies are also contacting organizations, such as food banks and churches, that are already helping our most vulnerable customers to include pre-printed, bilingual flyers in assistance packages. The approaches are varied, but the Companies' overall goal was to find ways to communicate the message that "Duke Energy is here to help. Please reach out to us." – through direct and indirect means.

The Companies recognize the economic impacts from the COVID-19 pandemic are deep, and it will take time for our customers to fully recover. In 2020, through shareholder-funded Duke Energy grants, the Companies gave more than \$2.5 million in financial support to North Carolina nonprofits providing hunger relief, bill assistance, educational support, WIFI access and small business recovery during this pandemic. Through the contributions, local assistance agencies, and federal funding to programs like LIHEAP and the federal stimulus packages, customers in need have opportunities to take advantage of assistance funds.

Though disconnections for nonpayment have restarted, the Companies believe that such disconnections are the very last step in a lengthy process. It is a step the Companies want to avoid altogether.

Respectfully submitted, this the 7th day of January 2021.



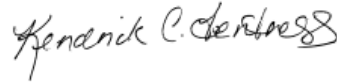
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*Attorney for Duke Energy Progress, LLC
and Duke Energy Carolinas, LLC*

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's and Duke Energy Carolinas, LLC's Joint Response, in Docket Nos. M-100, Sub 158, E-2, Sub 1228, E-7, Sub 1236, and G-9, Sub 767, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1st Class Postage Prepaid, properly addressed to parties of record.

This the 7th day of January, 2021.



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